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EINV, ES

SUBJECT: ENGAGING DIASPORA COMMUNITIES: EL SALVADOR

REF: STATE 86401

This message is Sensitive but Unclassified. Please handle accordingly.

¶1. (U) Post's responses to reftel queries are below. Certain topics have been combined to minimize redundancy.

OVERVIEW

¶2. (SBU) Summary. An estimated three million Salvadorans reside abroad, with approximately 90 percent of them in the U.S. Salvadorans are a readily-identifiable community that maintains strong ties to their home country, and are strongly encouraged to do so by the government of El Salvador (GOES) as part of its development strategy. The economic impact of the diaspora community on El Salvador is significant. The Salvadoran diaspora has had an active role in shaping the bilateral relationship and is actively involved in Salvadoran politics. On the negative side, as many as 50,000 Salvadorans in the U.S. are believed to be engaged in gang-related criminal activities. End Summary.

¶3. (SBU) An estimated three million Salvadorans reside abroad, with approximately 90 percent (roughly 30 percent of El Salvador's population) of them in the U.S. El Salvador's population of 5.8 million contributes the third-largest Latino population (after Mexico and Puerto Rico) to the U.S., comprising 2.9 percent of foreign-born residents. The Salvadoran diaspora in the U.S. is a readily-identifiable community that maintains strong ties to its home country, and is encouraged to do so by the government of El Salvador (GOES) as part of its development strategy. Individual Salvadorans often maintain strong family ties, and remittances make up nearly one-fifth of the GDP of El Salvador. In addition, there are numerous "hometown associations" (HTAs) that promote Salvadoran culture, maintain community ties among Salvadorans living in the U.S., and provide assistance to communities in El Salvador. The impact of the diaspora is such that Salvadorans often jokingly refer to the U.S. as the "fifteenth department (province)" of El Salvador, and there is even a "Salvador Diaspora" song available on the Internet at http://www.last.fm/music/Rex+Riddem+featuring+Carlos+Scorpi%C3%A0o/_/Salvador+Diaspora.

¶4. (SBU) On the negative side, as many as 50,000 Salvadorans in the U.S. are believed to be engaged in gang-related criminal activities, especially in the areas of Los Angeles, Las Vegas, Houston, the Washington D.C. metropolitan area, and Charlotte, NC. The origins and persistence of gang violence in El Salvador are traceable to California prisons and two-way travel of gang members.

¶5. (U) The largest concentrations of Salvadorans in the U.S. are found in Los Angeles, San Francisco, and Santa Ana, California; the Washington, D.C. metropolitan area; New York City and Long Island, New York; Houston and Dallas, Texas; Charlotte, North Carolina; and the cities of Miami, Boston, and Chicago. Emergent communities also exist in Las Vegas, Nevada; Greensboro and Raleigh, North Carolina; and

Atlanta, Georgia. Los Angeles, the Washington, D.C. metropolitan area, Houston, and Charlotte rank in order as the top four cities with Salvadoran populations. Salvadorans comprise the largest immigrant group in the Washington, D.C. area, numbering more than 100,000 people.

EL SALVADOR'S OUTREACH TO THE DIASPORA

¶6. (U) The diaspora community receives significant attention from the GOES, which maintains active outreach efforts. Both Presidential candidates met with Salvadoran communities and raised funds from them during their campaigns last year. In 2004, former President Antonio Saca created a special position in the Ministry of Foreign Affairs for Salvadorans living abroad, and convened a Presidential Forum on the diaspora. The outcome was a focus by the GOES on eight areas: human rights and legal assistance for migrants; migratory stability and family re-unification; remittances and local development; social and humanitarian assistance; economic integration; improvement of consular services; linkage with diaspora communities; and citizen participation and national identity.

¶7. (U) The Embassy of El Salvador in Washington, D.C. has a Salvadoran Community section that actively communicates with Salvadorans residing in the U.S., and coordinates activities among the 16 Salvadoran consulates in the U.S. and between the two countries. The Embassy's outreach includes assistance with immigration issues, including Temporary Protective Status, which many Salvadorans enjoy, and documentation of those with no legal immigration status. The Saca administration (2004-2009, conservative ARENA) had intensively campaigned in the U.S. for the renewal of TPS, which was approved by the Bush administration in 2008.

¶8. (U) El Salvador's U.S. consulates are located in the cities of Boston, MA; Las Vegas, NV; Brentwood, NY; Los Angeles, CA; Chicago, IL; Nogales, AZ; Coral Gables, FL; New York, NY; Dallas, TX; San Francisco, CA; Duluth, GA; Santa Ana, CA; Elizabeth, NJ; Washington, DC; Houston, TX; and Woodbridge, VA.

¶9. (U) The Salvadoran Embassy communicates frequently with the U.S. Congress, the White House, and local community authorities to promote the liberalization immigration rules and laws. In addition, the GOES promotes "nostalgic" products through commercial fairs, as well as investment of remittances into housing projects in El Salvador. Salvadoran banks operate branches in several cities in the U.S.

¶10. (U) The Funes administration has continued the efforts of its predecessor, and sees the diaspora as a partner in its development strategy, as a source of direct funding and investment, particularly with regard to reaching the Latino market in the US. It would also like to see businesses in El Salvador attract more remittance money through accounts paid for by relatives in the U.S.

¶11. (U) Recently, the International Organization for Migration (IOM) and the El Salvadoran Ministries of Foreign Affairs and Labor and Social Security signed a framework agreement aimed at closer cooperation in the fields of labor migration and migration management.

DIASPORA ORGANIZATIONS

¶12. (U) Diaspora organizations, often referred to as hometown associations (HTAs), play an important role in the diaspora community. In addition to building local community ties, they promote investment of remittances in community projects, retirement programs, health services, housing, and tourism. They also lobby the GOES to enable the diaspora community to vote from abroad and to provide better consular services, legal assistance and migratory stability. The nature of Salvadoran HTAs has been described in detail by Manuel Orozco and Eugenia Garcia-Zanillo of the Inter-American Dialogue, a leading U.S. policy analysis center. Orozco teaches Central American Regional Studies at the Foreign Service Institute, and is the leading scholar on remittances and the diaspora.

¶13. (U) Although only four percent of Salvadorans in the U.S. belong to an HTA, some 200 well-organized Salvadoran HTAs distributed throughout the country work in conjunction with Salvadoran community organizations to raise funds (generally less than 15,000 USD a year) to

support projects in El Salvador, as well as for activities supporting Salvadoran culture in the United States. The HTAs maintain contacts with association members and family in the hometown, and work on a range of projects in both countries, generally in the areas of health and education. (Source: "Hometown Associations: Transnationalism, Philanthropy, and Development" by Manuel Orozco and Eugenia Garcia-Zanillo, 2009, available at <http://www.thedialogue.org/PublicationFiles/Hometown%20Associations,%20Transnationalism,%20Philanthropy,%20and%20Development.pdf>)

¶14. (U) In addition, USAID, United Nations organizations such as UNDP, and organizations such as FLACSO-El Salvador (Latin American Faculty on Social Sciences, an intergovernmental, regional and autonomous organization) do extensive work on the impact of the Salvadoran diaspora. A good information source is UNDP's Human Development Report on Salvadoran migration, by economist and researcher William Pleytez, available at: <http://www.pnud.org.sv/migraciones/content/view/full/9105/>. A study on Salvadoran migrant workers by FIDH (for its French acronym), a human-rights NGO, is available at http://www2.ohchr.org/english/bodies/cmw/docs/ngos/MPDM_ElSalvador9.pdf

¶15. (U) Other important organizations are the Catholic, Episcopalian, and Lutheran churches as well as evangelical Protestant and numerous other U.S. church organizations performing missionary work and providing humanitarian aid in El Salvador.

----- ECONOMIC IMPACT -----

¶16. (U) The economic impact of the diaspora community on El Salvador is significant. The diaspora actively engages in long-term investment in country, including micro-enterprise development, job creation, entrepreneurship, and institutional capacity building. A recent study of this activity is "Exporting People and Recruiting Remittances: A Development Strategy for El Salvador?" by Sarah Gammage (DOI: 10.1177/0094582X06294112, Latin American Perspectives 2006; 33; 75), available in an online version at: <http://lap.sagepub.com/cgi/content/abstract/33/6/75>.

¶17. (U) In 2008, the Central Bank estimated that remittances totaled 3.8 billion USD, representing the equivalent of nearly one-fifth of El Salvador's GDP, although it recently announced that remittances dropped 11 percent during the first seven months of 2009. Nevertheless, remittances are an important source of income for an estimated 22.3 percent of families in El Salvador. Most remittance payments are used for personal consumption by poorer populations in El Salvador, but some payments are likely passed to savings or used for investment. The multiplier effect of these remittances likely sustains a significant economic base including jobs and, generally, informal sector business opportunities.

¶18. (U) Many wealthy Salvadorans spend significant periods of time in the U.S. and own property or investments in the United States, which may be re-invested in El Salvador, as the GOES does not place restrictions on the flow of capital to or from its dollarized economy. The GOES's Fondo de Inversion Social para el Desarrollo Local (FISDL) (Social Investment Fund for Local Development) lists numerous development projects on its website, located at <http://www.fisdl.gob.sv/>.

¶19. (U) According to a USAID study, diaspora investment has been ongoing since the 1940s, and includes notable successes, such as the founding of Gigante Express, the largest remittance transfer agency in Central America. However, mid-scale entrepreneurs are more typical of the current generation of immigrants, though both benefit from the "transnational field of vision" that results from migration, as well as personal contacts and familiarity with migrant consumer patterns." (Source: "Diaspora Direct Investment (DDI): The Untapped Resource for Development," USAID publication by Thomas Debass and Michael Ardovino, May 19, 2009.) According to Orozco, 10 percent of exports to the United States from El Salvador and various other Latin American countries are nostalgic goods. Demand for these goods has also motivated some migrants to invest in home-country export businesses.

¶20. (U) In July 2004 USAID/El Salvador began an ambitious donor-diaspora partnership project, ALCANCE (Alianza de Comunidades Apoyando la Ninez y su Continuacion en la Educacion). At the time it

was the largest USAID-funded public-private partnership involving diasporas in Latin America and the Caribbean, bringing together 21 HTAs, the Pan-American Development Foundation (PADF), the non-governmental organization World Vision, a Salvadoran educational organization, local HTA counterparts, and financing from two banks. The objectives of the project were threefold: improve education among poor, rural primary schoolchildren, leverage immigrant resources, and develop sustainable mechanisms for transnational support for rural education in El Salvador. (Source: "Remittances, Diasporas, and Economic Development Issues, Lessons Learned, and Recommendations for Donor Interventions," USAID publication by Eve Hamilton and Manuel Orozco in collaboration with Laura Chin and Kathryn Sell, November 2006.)

¶21. (U) Science and technology have not been a significant focus of diaspora activity.

¶22. (U) Since indigenous groups represent less than one percent of El Salvador's population, it is unlikely that the diaspora community has been significantly engaged in meeting the health, education and welfare needs of indigenous peoples.

DEMOCRACY PROMOTION

¶23. (SBU) The diaspora community is actively involved in Salvadoran politics. In addition to the large diaspora community in the U.S., more than 20,000 American citizens live and work full-time in El Salvador. This translates into a broad spectrum of political involvement. For instance, both presidential candidates met with Salvadoran communities in the U.S. during their campaigns, and these communities were sources of campaign funds. Ana Sol Gutierrez, a Maryland state delegate representing a large Salvadoran community in the D.C. metropolitan area, is very active in promoting a mechanism for Salvadorans abroad to vote absentee in Salvadoran elections. (Note: Currently, Salvadorans residing abroad may vote in elections, but they must return to El Salvador to do so. End Note.) An example of recent efforts to promote Salvadoran participation in U. S. politics appeared in a September 24, 2009, Washington Post article, "Salvadorans Seek a Voice To Match Their Numbers; Summit Aims to Raise Political Visibility," available at: http://www.washingtonpost.com/wp-dyn/content/article/2009/09/23/AR200902304494_pf.html. [Comment: Despite the misleading nature of the opening paragraph, the article contains useful information on Salvadorans in the U.S. Salvadorans of all political inclinations fled the country because of security and economic concerns resulting from the civil conflict. Some who fled to the U.S. during the civil conflict returned to El Salvador after the signing of the Peace Accords. End Comment.]

¶24. (U) The Funes administration has continued the outreach efforts of his predecessor, and plans to expand them given the support he received in the 2009 elections from the Salvadoran community in the U.S.

PUBLIC DIPLOMACY & OUTREACH

¶25. (U) The Millennium Challenge Corporation (MCC), the U.S. Trade and Development Agency (USTDA) and the Overseas Private Investment Corporation (OPIC) are working with El Salvador to facilitate investment and economic development opportunities in El Salvador's Northern Zone. MCC has actively sought to engage the Salvadoran diaspora throughout the Compact development and implementation process, including the diaspora population that has strong ties to the Northern Zone, the focal region for the 461 million USD MCC Compact.

¶26. (U) FOMILENIO (MCA-El Salvador, established by the GOES to implement the program), the GOES and MCC also coordinated four outreach events in Washington D.C., New York and Los Angeles to inform local Salvadorans of business opportunities that the MCC Compact brings to the Northern Region of the country. Margarita Escobar, the former Vice Foreign Minister for Salvadorans Living Abroad, played an active role in planning for the events and providing Salvadoran consular officers with information on the MCC compact to pass along to diaspora populations. For more information, see http://www.mcc.gov/mcc/countries/elsalvador/s_v-documents/mcc-ustda-and-pic-working-with-el-salvador-to-pro.shtml, <http://licitacions.copca.com/tenders/adminSho wBuyer.do~buyerId=1414819>,

and <http://www.mca.gob.sv/fomilenio/>.

¶27. (U) A recent collaboration between the USG, the GOES, FUSADES (Salvadoran think tank) and Salvadoran entrepreneurs facilitated investments and partnerships related to the MCC. Salvadoran business leaders may now use a new web portal (www.epridex.org) providing up-to-date information to suppliers and investors regarding business opportunities, incentive plans, the fiscal operating environment and tax laws applicable to El Salvador's Northern Zone. These efforts were featured in a 2008 article in The Washington Post, available at <http://www.washingtonpost.com/wp-dyn/content/article/2008/03/13/AR200801302147.html>.

¶28. (U) Aside from visa inquiries, post receives requests from NGOs advocating specific issues, generally dealing with human rights and elections issues. To a limited extent, post has received inquiries from private citizens seeking to capitalize on activities that may be complementary to the MCC Compact projects.

¶29. (U) The Salvadoran diaspora follows events back home closely. The internet is the best means of contact, including Salvadoran media web pages. For more recent arrivals, the preferred methods would be local Spanish language newspapers, radio, and television. Other media include churches, school groups for Spanish parents, and immigration NGOs.

¶30. (U) Useful tools for post would include databases on Salvadoran diaspora community organizations, as well a set of maps identifying Salvadoran population in the United States, and locations of major hometown associations. It would also be helpful to incorporate Salvadoran-Americans into the U.S. Spaker and IV programs.

CONTACT INFORMATION

¶31. (U) Government of El Salvador:

Embassy of El Salvador:
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Fax (202) 232-3763
vherrera@elsalvador.org
Web site:
<http://www.elsalvador.org/embajadas/eeuu/home.nsf/comunidad>

Ministry of Foreign Affairs (MFA)
General Direction of Assistance to the Salvadoran Community Abroad
Contact: Juan Jose Garcia, Vice Minister for Salvadorans Living Abroad
Calle El Pedregal, Blvd. Cancilleria. 500 mts. al poniente del Campus
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Telephone: 2231-1000, 2289-4952
E-mail: jgarcia@rree.gob.sv
Web site:
http://www.rree.gob.sv/sitio/sitiowebrrree.nsf/pages/scancilleria_viceministro2

¶32. (U) A list of Salvadoran organizations in the U.S. registered with the Embassy of El Salvador is available at <http://www.elsalvador.org/embajadas/eeuu/home.nsf/comunidad>.

¶33. (U) The most prominent Salvadoran organizations include:

ASOSAL (Asociacion Salvadorena de Los Angeles)
Founded in 1991, ASOSAL provides legal assistance to Salvadoran and Latin American migrants in Los Angeles, and promotes community development and cultural identity programs.
Web: <http://asosal.org/Asosal.English.htm>

CARECEN (Centro de Recursos Centroamericanos)- El Salvador
A non-profit humanitarian organization, founded in 1981, in Washington

D.C., CARECEN's mission is to provide assistance, legal protection and social services to the Central American community in Washington D.C.

Web: <http://www.freewebs.com/carecenelsalvador/index.htm>
Catholic Relief Services: <http://crs.org/El%2DSalvador/>

Center for Exchange and Solidarity

Web: <http://www.cis-elsalvador.org/en/history-and-mission.html>

Centro Romero (Chicago)

Several Centros Romero were established in the U.S. and Canada during the civil war 1980s, when many Salvadorans began migrating north. Centros Romero are community-based organizations that serve the refugee immigrant population in the U.S.

Web: <http://www.centroromero.org/HomePage.asp>

El Piche

A Los Angeles organization founded in 1995, El Piche focuses on social and development cooperation.

Web: <http://www.elpiche.com>

FLACSO-El Salvador (Latin American Faculty on Social Sciences)

FLACSO is an intergovernmental, regional and autonomous organization, established in 1957 by the Latin American and Caribbean governments in coordination with UNESCO. FLACSO-El Salvador started operations in El Salvador in 1992.

Web: <http://www.flacso.org.sv/>

FUSADES (Salvadoran Foundation for Economic and Social Development)

FUSADES was established in 1983 by a group of local entrepreneurs with financial support from USAID. During the 1990s, it was the primary "think tank" for the ARENA administrations.

Web: <http://www.fusades.org.sv/>

INTIPUCA

INTIPUCA focuses on improving economic conditions and social events in their home town.

Web: <http://intipucacity.com/>

Landmine survivor network:

<http://www.survivorcorps.org/NetCommunity/Pag e.aspx?pid=319>

Lutheran Church

Web:

<http://www.elca.org/Who-We-Are/Our-Three-Expr essions/Churchwide-Organiz tion/Global-Mission/Where-We-Work/Latin-Ameri ca-Caribbean/El-Salvador.a px>

Population Service International:

Web: http://www.psi.org/where_we_work/central_amer ica.html

SALEF (The Salvadoran American Leadership and Educational Fund)

A Los Angeles group that promotes economic development and democracy in El Salvador, SALEF focuses on youth and provides scholarships.

Contact: Carlos Antonio H. Vaquerano

Telephone: 213 480-1052

chvaquerano@salef.org

Web: <http://www.salef.org/salef/about.html>

SANN (Red Nacional Salvadorena Americana)

SANN is a network of 15 NGOs founded in 1992 "dedicated to building a fair, dignified, and sustainable life for our immigrant community, Latin American and Caribbean, here in the United States and in Central America."

Web: <http://www.sannetwork.org/>

Save the Children

Web:

<http://www.savethechildren.org/countries/lati n-america-caribbean/el-sal ador.html>

SEEM (Salvadorenos en El Mundo)

SEEM is an organization created to help the Salvadoran people and migrant peoples in general. They have representatives in many cities in the U.S., Europe, Mexico, Canada and El Salvador and focus on migration, democracy, and political issues.

Web: <http://www.salvadorenosenelmundo.org/>

SHARE Foundation

SHARE supports historically impoverished communities constructing long-term sustainable solutions to the problems of poverty, underdevelopment and social injustice.
Web: <http://www.share-elsalvador.org/>

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